

United States Senate

WASHINGTON, DC 20510

TESTIMONY OF
UNITED STATES SENATOR RICHARD BLUMENTHAL
BEFORE THE ENERGY AND TECHNOLOGY COMMITTEE
MARCH 15, 2011

I appreciate the opportunity to comment on Senate Bill 1, An Act Concerning Connecticut's Energy Future.

Connecticut electricity rates are among the highest in the United States, imposing a significant burden on businesses and residents. Business owners have expressed to me their concerns that the high cost of electricity is making it very difficult to operate in Connecticut. Residents have told me of their struggle with high electricity bills.

Connecticut must address this problem directly and forcefully at both the state and federal level. Federal regulations, such as Market Rule 1, governing the purchase of electricity substantially affect the price of electricity. We must begin a dialog with the Federal Energy Regulatory Commission to seek changes in electricity policy to ease the burden on Connecticut ratepayers. I am committed to working with state officials in this effort to lower electricity rates.

On the state level, as Attorney General, I advocated for the establishment of a single state agency, focused on electricity and energy policy. Currently, there are a myriad of state agencies that are involved with electricity policy, rate-setting, state energy use and conservation and renewable energy funding. The state desperately needs one agency that develops and implements electricity policy, ensuring coordination of effort and concentration of resources to achieve a state energy goal of lowering the cost of electricity.

Senate Bill 1 establishes a Department of Energy and Environmental Protection. This agency is specifically charged with reducing the cost of electricity. The Department will employ a procurement manager who will have broader flexibility to purchase electricity, resulting in lower costs which can be passed along to consumers. The legislation encourages the use of renewable energy such as solar and conservation efforts such as combined heat and power projects, to reduce our dependency on natural gas, oil and coal. Finally, the legislation limits the amount of fees that private electricity retailers can charge consumers for early cancellation of a contract.

I urge the committee to favorably consider legislation such as Senate Bill 1 that will reduce electricity costs for consumers and businesses and encourage renewable sources of electricity.

Thank you.